



Miami-Dade County Board of County Commissioners

Office of the Commission Auditor

Legislative Analysis

Regional Transportation Committee

March 16, 2006

9:30 AM

Commission Chamber

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**Miami-Dade County Board of County Commissioners
Office of the Commission Auditor**

Legislative Analysis

**Regional Transportation Committee
Meeting Agenda**

March 16, 2006

Written analyses for the below listed items are attached for your consideration in this Legislative Analysis.

Item Number(s)

3(M) Metromover Escalators & Canopies	3(S) CITT Financial Consultant
3(T) Bus Contract Award (OPTIMA)	

If you require further analysis of these or any other agenda items, please contact Guillermo Cuadra, Chief Legislative Analyst, at (305) 375-5469.

Acknowledgements--Analyses prepared by:
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LEGISLATIVE ANALYSIS

RESOLUTION AUTHORIZING A SUPPLEMENTAL JOINT PARTICIPATION AGREEMENT (SJPA) WITH THE FLORIDA DEPARTMENT OF TRANSPORTATION (FDOT) TO PROVIDE \$1 MILLION IN STATE FUNDS FOR THE INSTALLATION OF NEW ESCALATORS AND CANOPIES OVER THE ESCALATORS AND STAIRWAYS AT THE METROMOVER INNER LOOP STATIONS; AND AUTHORIZING THE COUNTY MANAGER TO RECEIVE AND EXPEND FUNDS AND TO COMMIT UP TO \$1 MILLION IN CHARTER COUNTY TRANSIT SYSTEM SURTAX FUNDS AS A LOCAL MATCH AS SPECIFIED IN THE SJPA

Miami-Dade Transit

I. SUMMARY

This resolution would authorize Miami-Dade Transit (MDT) to execute a Supplemental Joint Participation Agreement (SJPA) with the Florida Department of Transportation (FDOT) in order to access an additional \$1 million in funds from the Transit Urban Capital Program.

These funds will be used, in conjunction with local funding from the PTP Surtax, for escalator repairs and the installation of canopies over the escalators and stairways at Metromover Inner Loop Stations.

II. PRESENT SITUATION

The State of Florida has already appropriated \$1,000,000 to MDT for this purpose under the original JPA approved by the BCC on March 1, 2005.

There are currently no canopies at these stations.

On October 7, 2003, the Board of County Commissioners approved a list of Miscellaneous Capital Improvement Projects eligible for funding from the PTP Surtax. Among the projects on this list was \$4.9 million for Escalator Replacements at Metromover Stations.

III. POLICY CHANGE AND IMPLICATION

Accessing State and Federal grants is consistent with County Policy.

The Detail provided by Miami-Dade Transit regarding “Escalator Replacement” did not specifically include canopies at Metromover Stations. However, projects of this nature are included in the detail. (SEE ATTACHMENT)

IV. ECONOMIC IMPACT

The total project cost is estimated at \$7 million. (\$2 million FDOT / \$5million Local)

V. COMMENTS AND QUESTIONS

Attachment 1: Description of “Escalator Replacement” provided by MDT on October 7, 2003.

Attachment 1

Replace Escalators (\$4,886,000)

The escalators in 21 Metrorail Stations and nine Metromover Stations are approximately 18 years old. Major components have begun to fail and it is no longer feasible to expend large sums of money to repair the units. Funding is required for a comprehensive escalator replacement program. The program will include design, contracting, and installation of 66 waterproof, heavy duty transit escalators including removal of existing units, installation of the latest state-of-the-art safety devices and all required electrical interface upgrades.

LEGISLATIVE ANALYSIS

RESOLUTION AUTHORIZING THE COUNTY MANAGER TO MODIFY THE AGREEMENT WITH INFRASTRUCTURE MANAGEMENT GROUP, INC. FOR FINANCIAL CONSULTING SERVICES FOR THE CITIZENS' INDEPENDENT TRANSPORTATION TRUST CONTRACT NO. 463

Procurement Management
Citizens' Independent Transportation Trust

I. SUMMARY

This resolution seeks to amend the contract between the Citizens' Independent Transportation Trust (CITT) and the Infrastructure Management Group, Inc. (IMG), in order to provide additional funding to address an increased "Scope of Work" recommended by the CITT Board.

II. PRESENT SITUATION

The current contract was approved by the BCC on May 3, 2005 in order to provide the CITT with an independent financial advisor to assist the Trust with its duties to oversee the expenditures associated with the Peoples' Transportation Plan (PTP).

The contract was awarded based on a Scope of Work valued at approximately \$240,000.

The original RFP No. 427 contained a contract ceiling of \$500,000. However, after the original scope of work revealed less funding would be needed, the contract award was reduced to \$239,787.

III. POLICY CHANGE AND IMPLICATION

This amendment will increase funding for the initial term of the contract, set to expire in May 2006. (There is a 6 month option to extend this contract)

The CITT Board has requested an increased Scope of Work to further analyze the PTP Pro-Forma submitted by Miami-Dade Transit in January of 2006.

IV. ECONOMIC IMPACT

This resolution would increase the contract amount by \$190,000 from \$239,787 to \$429,787. (Or approximately 80%)

V. COMMENTS AND QUESTIONS

None

LEGISLATIVE ANALYSIS

RESOLUTION AWARDING CONTRACT NO. 407A TO OPTIMA BUS CORPORATION (OPTIMA) TO MANUFACTURE AND SUPPLY UP TO 300 SMALL, LOW FLOOR TRANSIT BUSES, WITH AN OPTION TO PURCHASE AN ADDITIONAL 300 BUSES TO A MAXIMUM OF 600 BUSES, AND AUTHORIZING THE COUNTY MANAGER TO EXECUTE SAME FOR AND ON BEHALF OF MIAMI-DADE COUNTY WITH AUTHORITY TO EXERCISE OPTIONS ESTABLISHED THEREUNDER

Miami-Dade Transit
Procurement Management Department

I. SUMMARY

This resolution seeks approval for the awarding of a contract, No. 407A, for “Small Low-Floor Transit Buses”.

This contract is for 300 buses, plus an option for up to 300 additional buses, and associated services.

II. PRESENT SITUATION

- November 5, 2002 – Residents of Miami-Dade County approve a ½ cent Surtax for Transportation infrastructure needs known as the Peoples Transportation Plan (PTP).
 - Part of the PTP called for the expansion of the County’s Bus Fleet by approximately 635 buses.
- September 11, 2003 – BCC approves advertisement of RFP No. 407 for the procurement of up to 400 Small Low-Floor Buses. (Plus an option for an additional 400 buses)
 - Estimate for buses at this time was \$201,500,000.
- Seven (7) proposals were received from five (5) different companies.
 1. Bluebird Coachworks
 2. Daimler Chrysler
 3. ElDorado National
 4. Optare Group Limited (Proposal was deemed non-responsive with reference to DBE Goals)
 5. Optima Bus Corporation
- December 2004 – January 2005 – Evaluation Committee heard Oral Presentations from four (4) remaining bidders.

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- March 23, 2005 – Negotiations Committee requests MDT staff review financial statements of four (4) remaining companies in accordance with the United State's Generally Accepted Accounting Principals (GAAP).
 - Bluebird Coachwork's financial statements were provided by it's parent company, the Henleys Group, PLC, and were done in accordance with the United Kingdom's GAAP.
 - **MDT found Bluebird's financial statements to be incomplete, therefore Bluebird Coachworks was not entitled to further consideration by the Negotiating Committee.**
- Optima Bus Corporation was recommended as the highest ranked proposer by the Negotiating Committee.
- August 23, 2005 – Bluebird files bid protest.
- September 21, 2005 – Hearing Examiner submits findings of fact to Clerk of the Board.
 - **The Hearing Examiner found Bluebird to be responsive and responsible.**
 - **Further, the hearing examiner found that Optima was not financially responsible, and recommended that Bluebird, ElDorado, and Diamler Chrysler be reevaluated**

November 15, 2005 – The County Manager recommends that the BCC not accept the hearing examiner's recommendation and establishes a committee to reevaluate the original submittals, as well as the initial Best and Final Offers (BAFO) proffered by the four remaining companies and make a recommendation to the BCC within 90 days.

III. POLICY CHANGE AND IMPLICATION

The County Manager is recommending the Board approve the awarding of a contract for 300 "Small Low-Floor)" buses (Plus up to 300 additional buses) from Optima Bus Corporation. This is a smaller total number of buses than was initially advertised for.

Optima was the vender originally chosen by the selection committee through RFP. No. 407.

IV. ECONOMIC IMPACT

The contract ceiling associated with the possible purchase of up to 600 buses is \$195,684,430 (or approximately \$296,491 per bus) plus a 10% contingency allowance.

The cost estimate presented in the original RFP, approved in September of 2003, was \$201,500,000 for 800 buses. (Approximately \$251,875 per bus)

Estimated funding source: 20% Federal / 80% Local (PTP Surtax).

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V. COMMENTS AND QUESTIONS

Attachment 1 – Herald Article from September 24, 2005

Attachment 2 – Herald Article from August 24, 2005

Attachment 1

BIG BUS DEAL TAKES A U-TURN

The Miami Herald - September 24, 2005

Miami-Dade County officials unfairly disqualified Blue Bird Coachworks, a prominent Georgia bus manufacturer, from competing for a highly coveted multimillion dollar contract to supply 300 new 30-foot Metrobuses, a hearing examiner has ruled.

On top of that, retired Circuit Judge Jack M. Turner recommended that county officials disqualify the apparent winner of the contract, **Optima** Bus Co. of Wichita, Kan. - citing many of the very same financial reporting shortcomings that had snarled Blue Bird's bid.

In his ruling, Turner noted that Blue Bird's bid would have come in \$12 million lower than **Optima's**. "There was no basis for the committee to completely reject Blue Bird's proposal for alleged financial irresponsibility based upon an immaterial technical irregularity and to award the contract to **Optima** for \$12 million more," Turner wrote in a 16-page opinion signed Wednesday.

It's unclear what the unusual decision in the bid protest launched by Blue Bird will mean to the five-year, \$97.7 million contract - county officials could go forward with the **Optima** contract or throw out **Optima's** bid and reevaluate other bids they received. The most likely option: They could start from scratch on the contract.

What is clear is that the County Commission, which will ultimately decide the question is in for a high-stakes lobbying effort no matter what County Manager George Burgess recommends to commissioners. "You've got to understand, this almost never happens," said Blue Bird's Miami-based litigator, Barry Davidson of Hunton & Williams. "It's extremely rare to win a bid protest like this."

Optima lobbyist Miguel De Grandy strongly disagreed with the judge's reasoning for disqualifying his client on financial grounds tied to the private hedge fund that owns the bus company. De Grandy added that the \$12 million savings figure is a red herring aimed at scoring political points.

The selection committee had graded **Optima** so far ahead of Blue Bird and the other competing firms on the technical merits that constituted 70 percent of the scoring that Blue Bird still would have wound up ranked No. 2 after factoring in the pricing criteria, de Grandy said.

"Just because they're coming in at the cheapest price doesn't mean they are delivering the best bus," De Grandy said. "There's a value - a serious value - in providing the best, most reliable bus, the one that won't break down and will remain in service."

Optima hired former state Rep. De Grandy, one of the most successful lobbyists at County Hall. Blue Bird engaged Davidson to litigate the bid protest and Ron Book to lead its lobbying effort.

De Grandy has filed a separate ethics complaint accusing Davidson of lobbying county staffers on Blue Bird's behalf without registering. Davidson says he did not need to register because he was acting as a lawyer-litigator, not a lobbyist.

Transit Director Roosevelt Bradley said that a brand new procurement process could be fast-tracked so that a selection could be delivered in 90 to 120 days rather than the year-plus it took to reach the **Optima** decision. "I'm not saying that this is the way we're going, but if we did I think we can get it done pretty quick," Bradley said. "We already have all the specs in place. It's a very detailed package. The industry already knows what we're looking for."

Any short-term delays in delivering new buses to the Transit fleet will not change the agency's ability to roll out new routes and improve trip frequencies - as promised when officials asked voters to approve a half-cent sales tax increase in 2002, Bradley said.

The new buses are 30-foot, low-floored, models that seat 28 and have standing room for another 21 passengers. The new generation is supposed to feature a design that will make the buses look a bit like high-speed trains.

Transit commonly runs 30-foot buses on urban circulator routes and newer lines that are building ridership.

Attachment 2

LOSING MINIBUS BIDDER SEEKS DECISION REVERSAL

The Miami Herald - August 24, 2005

A bus manufacturer Tuesday accused Miami-Dade County officials of unfairly eliminating it at the eleventh hour from competing for a five-year contract worth nearly \$100 million to supply 300 new 30-foot minibuses to the local transit agency.

In a formal bid protest filed late Tuesday, Blue Bird Coachworks seeks to reverse a county staff recommendation that commissioners ratify a five-year, \$97.7 million deal with the No. 1-ranked firm, **Optima** Bus Corp. of Wichita, Kan.

Records indicate that Blue Bird of Fort Valley, Ga., had offered to deliver the same state-of-the-art minibuses, spare parts, training for mechanics and other services for \$11.9 million less than **Optima**.

But a five-person selection committee, which included two high-ranking transit agency officials, never looked at Blue Bird's sealed bid, because the firm was eliminated in April for failing to submit complete financial statements.